

AMENDED IN ASSEMBLY JUNE 4, 1998  
AMENDED IN ASSEMBLY APRIL 15, 1998  
AMENDED IN ASSEMBLY MARCH 30, 1998  
AMENDED IN SENATE JANUARY 7, 1998

**SENATE BILL**

**No. 610**

**Introduced by Senator O'Connell**

February 25, 1997

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An act to amend Sections 22134, 23201, and 24201 of the Education Code, and to add Section 31840.8 to the Government Code, relating to public employees.

LEGISLATIVE COUNSEL'S DIGEST

SB 610, as amended, O'Connell. Public employees retirement: reciprocity.

The State Teachers' Retirement Law provides that members of the Public Employees' Retirement System can utilize compensation earnable during service as a member of the State Teachers' Retirement System if they retire concurrently under both systems. The County Employees Retirement Law of 1937 also prescribes those reciprocal rights to members of the Public Employees' Retirement System.

This bill would extend reciprocal rights to persons who retire concurrently under the State Teachers' Retirement System and retirement systems established under the County Employees Retirement Law of 1937.

Existing law requires members to have at least 5 years of credited California service in order to retire and excludes

service performed in other states for purposes of determining service based upon reciprocal service under other California retirement systems.

This bill would delete the California service requirement and the out-of-state service exclusion.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 22134 of the Education Code is  
2 amended to read:

3 22134. (a) "Final compensation" means the highest  
4 average annual compensation earnable by a member  
5 during any period of three consecutive school years while  
6 an active member of the plan or time during which he or  
7 she was not a member but for which the member has  
8 received credit under the plan, except time that was so  
9 credited for service performed outside this state prior to  
10 July 1, 1944. The last three consecutive years of  
11 employment shall be used by the system in determining  
12 final compensation unless designated to the contrary in  
13 writing by the member.

14 (b) For purposes of this section, periods of service  
15 separated by breaks in service may be aggregated to  
16 constitute a period of three consecutive years, if the  
17 periods of service are consecutive except for the breaks.

18 (c) The determination of final compensation of a  
19 member who is also a member of the Public Employees'  
20 Retirement System, the Legislators' Retirement System,  
21 the University of California Retirement System, county  
22 retirement systems established under Chapter 3  
23 (commencing with Section 31450) of Part 3 of Division 4  
24 of Title 3 of the Government Code, or the San Francisco  
25 City and County Employees' Retirement System shall  
26 take into consideration the compensation earnable while  
27 a member of the other system, provided that all of the  
28 following exist:



(1) The member was in state service or in the employment of a local school district or of a county superintendent of schools.

(2) Service under the other system was not performed concurrently with service under this plan.

(3) Retirement under this plan is concurrent with the member's retirement under the other system.

(d) The compensation earnable for the first position in which California service is credited shall be used when additional compensation earnable is required to accumulate three consecutive years for the purpose of determining final compensation under Section 23804.

(e) The board may specify a different final compensation with respect to allowances based on part-time service performed prior to July 1, 1956, for which credit was given under this plan under board rules in effect prior to that date.

(f) The board may specify a different final compensation with respect to disability allowances, disability retirement allowances, family allowances, and children's portions of survivor benefit allowances payable on and after January 1, 1978. The compensation earnable for periods of part-time service shall be adjusted by the ratio that part-time service has to full-time service.

(g) The amendment of former Section 22127 made by Chapter 782 of the Statutes of 1982 does not constitute a change in, but is declaratory of, the existing law.

SEC. 2. Section 23201 of the Education Code is amended to read:

23201. Any person whose accumulated retirement contributions were refunded and who has received, or will qualify to receive, a retirement allowance from the Public Employees' Retirement System, the University of California Retirement System, the Legislators' Retirement System, county retirement systems established under Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code, or the San Francisco City and County Employees' Retirement System may elect to redeposit the accumulated retirement contributions that were

1 refunded, with regular interest from the date of refund  
2 to the date of payment, without being employed to  
3 perform creditable service subject to coverage by the  
4 plan. A person who elects to redeposit pursuant to this  
5 section shall not receive credit for service that might  
6 otherwise be creditable under Section 22810.

7 SEC. 3. Section 24201 of the Education Code is  
8 amended to read:

9 24201. (a) A member may retire for service upon  
10 written application for retirement to the board, under  
11 paragraph (1) or (2) as follows:

12 (1) The member has attained age 55 years or more and  
13 has at least five years of credited service, ~~including~~  
14 ~~out-of-state service purchased pursuant to Section 22820;~~  
15 at least one year of which has been performed subsequent  
16 to the most recent refund of accumulated retirement  
17 contributions. *The five years of credited service may*  
18 *include out-of-state service purchased pursuant to*  
19 *Section 22820.*

20 (2) The member is credited with service that is not  
21 used as a basis for benefits under any other public  
22 retirement system, excluding the federal social security  
23 system, if he or she has attained age 55 years and retires  
24 concurrently under the Public Employees' Retirement  
25 System, the Legislators' Retirement System, the  
26 University of California Retirement System, county  
27 retirement systems established under Chapter 3  
28 (commencing with Section 31450) of Part 3 of Division 4  
29 of Title 3 of the Government Code, or the San Francisco  
30 City and County Employees' Retirement System.

31 (b) Application for retirement under paragraph (2) of  
32 subdivision (a) may be made at any time.

33 SEC. 4. Section 31840.8 is added to the Government  
34 Code, to read:

35 31840.8. The provisions of this chapter extending  
36 rights to a member of a county retirement system  
37 established under this chapter by reason of his or her  
38 membership in the Public Employees' Retirement

- 1 System shall also apply to members of the State Teachers'
- 2 Retirement System Defined Benefit Plan.

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